

BUDGET ESTIMATES 2008

QUESTION ON NOTICE

MINISTER FOR PRIMARY INDUSTRIES
MINISTER FOR ENERGY
MINISTER FOR MINERAL RESOURCES
MINISTER FOR STATE DEVELOPMENT

QUESTION 1

The Hon. RICK COLLESS: Minister, can you provide details of the \$335 million that you claim has been expended by the Government for drought relief since 2002?

The Hon. IAN MACDONALD: Yes, we have issued material on this many, many times. I do not have a break-up of each individual item with me, except to say that some of the key ones include a large figure that has gone as part of our 10 per cent of the exceptional circumstances payments. Firstly, under the Commonwealth-State arrangement we are required to provide 10 per cent of the funding into New South Wales of the business support program. That now totals more than \$50 million, for sure. I do not have the exact figure with me. Secondly, all versions of the transport subsidies are well over the \$100 million figure, then areas items such as payroll tax deductions and the programs that we have in relation to the farm family gatherings, the drought support workers—all total considerable sums of money six years on since the commencement of the program. I am happy to provide the Committee with further details on notice.

The Hon. RICK COLLESS: How much has been spent on wages?

The Hon. IAN MACDONALD: These figures include wages, as I understand. That is my understanding of how they are calculated; they are sums of money that are outlaid.

The Hon. RICK COLLESS: Have any departmental officers working in the background on those programs funded within the \$355 million?

The Hon. IAN MACDONALD: Not to my knowledge. I will deal with that in detail when I give the answer on notice.

The Hon. RICK COLLESS: What has been the total expenditure in the past 12 months?

The Hon. IAN MACDONALD: I do not have a figure of total expenditure. It is less than previous years. For instance, over last summer we had considerable rain across many parts of New South Wales and the drawdown over summer, which was anticipated to be high, was quite low due to the conditions. We did gear up for considerable payments in late winter, because of a bit of a dry spell that occurred in September there has been some good rainfall in parts of the State. I do not have the actual figure of the drought funding over the past year, but I will get it for you.

ANSWER

The \$451 million currently committed since the start of the drought in 2002 is broken down below:

Program Category	\$
Pests	906,133
Waiver of Fees (eg Wild Dog Destruction Board rates and Western Land Lease fees)	32,362,539
Drought Support Workers, Farm Family Gatherings and other programs	52,409,660
Transport Subsidies	144,407,707
Rural Business Assistance	10,647,179
Training and Animal Welfare	1,500,000
Exceptional Circumstances	103,458,440
Loans	68,379,094
Town Water	37,670,000
TOTAL	451,740,752

Expenditure is determined on a financial year basis. In the 2007-08 financial year \$83 million was committed to drought assistance.

Expenditure on wages is not separated out of drought assistance programs. However, the Drought Support Workers and some special drought transport subsidy claims processing staff are funded by the drought assistance program.

QUESTION 2

The Hon. RICK COLLESS: So, there is no provision for that livestock to slaughter subsidy to be utilised to take stock to agistment and return, where the \$20,000 is fully allocated?

The Hon. IAN MACDONALD: I will take that on board and come back to you about it.

ANSWER

The \$20,000 cap per calendar year on livestock related drought transport subsidies relates to all subsidies. An additional \$5000 is available for transport of domestic water.

QUESTION 3

The Hon. RICK COLLESS: Can I turn now to the potential locust plague New South Wales is facing. What plans do you have in place to address that?

The Hon. IAN MACDONALD: You might recall that earlier in the year considerable attention was brought about in the south of the State over the number of locusts laying eggs, particularly around the Wagga Wagga area. At the time we asked farmers to be vigilant and report that. I think we had something in the order of 90 or so reports of egg laying activity. We put that on the database and that is part of our plan. The response plan is now fully in place, given that a number of these egg beds are hatching, and we have asked farmers to report. We have issued a lot of media statements to that effect. As of today, or yesterday, 317 properties notified activity on their farms. We are concerned because there is a significant gap between the reporting of the laying activity and the hatching activity. That is why we are making a lot of public activity to try to get farmers to check their paddocks, because we have—as you would be aware from our experience in the spring 2004 episode of widespread locust activity in New South Wales—a window of opportunity to be able to limit the damage that could be caused by the locusts. We are asking farmers to report.

We have set up our central command in Orange and we have a number of forward posts, particularly in the Riverina and other areas where they have been announced. We are still trying to get farmers to check their farms as quickly as possible. We have enough chemical to treat 31,000 hectares and we have plans for rapid access if we need more than that—heaven forbid, I hope we do not need more than that. We are already off and running with ground-based spraying. Further aerial survey work is also being done. We have a lot of experience in this area due to the 2004 spring episode, and it is well and truly in swing.

The Hon. RICK COLLESS: I understand you said 317 separate outbreaks have been reported at this point?

The Hon. IAN MACDONALD: Yes.

The Hon. RICK COLLESS: What is the total area of those 317 outbreaks?

The Hon. IAN MACDONALD: I would have to give that on notice. We have seen hatchings in the order of from 1.2 kilometres to 400 metres wide.

ANSWER

For the 317 locust reports, as at 15 October 2008 the Department of Primary Industries had issued enough insecticide to Rural Lands Protection Boards for distribution to landholders to treat approximately 10,000 hectares.

As at 7 November 2008 almost 2400 locust reports were received and enough insecticide to treat nearly 80,000 hectares had been issued to Rural Lands Protection Boards for distribution to landholders for ground control.

QUESTION 4

The Hon. RICK COLLESS: I turn now to the equine influenza issue. Can you advise details of the amount raised from the Grays Online auction of the surplus stock from the equine control centre?

The Hon. IAN MACDONALD: I do not have the details but I will get that for you.

The Hon. RICK COLLESS: Can you also advise what happened to the stock that was not sold through that auction?

The Hon. IAN MACDONALD: Sure, not a problem.

The Hon. RICK COLLESS: You might also include the original cost of those items and why you thought there was a need to sell those items?

The Hon. IAN MACDONALD: Right. The policy of the assets disposal process was conducted. A private auction company was to organise the sale of items, which I understand is the usual process. All items were advertised and members of the public were invited to bid on each item. The price achieved for each item was the best price offered on the day of the public auction and Grays Online conducted that. A small number of remaining assets were expected to be offered for auction by Grays Online in the last week of August 2008. The asset disposal would then be complete.

The department will meet its obligations under the emergency animal disease response agreement in regard to dispersal of funds generated by asset sales that require: "the proceeds of any sale or equipment valuation will be distributed to the parties in the same proportion as the contributions actually made". Does that roughly meet what you are asking?

The Hon. RICK COLLESS: Yes, that is fine. I am just wondering why you would suddenly jump to conclusions and dispose of those items when we had another very close call again the other day. Would you have to turn around and re-purchase all of that equipment to refurbish the office again?

The Hon. IAN MACDONALD: We did not get to that point, fortunately.

The Hon. RICK COLLESS: No, we did not, thankfully.

ANSWER

The total revenue received to date for items sold through Grays Auctions from the State Disease Control Centre at Orange and the Local Disease Control Centre at Elizabeth Macarthur Agricultural Institute (EMAI) is \$107,384.93.

The NSW Government is signatory to the Emergency Animal Disease Response Agreement (EADRA) which requires that 'all stores and equipment purchased with funds which have been subsequently reimbursed from the arrangements shall be valued at the time the Proof of Freedom (from equine influenza) phase ends and sold within 60 days'. NSW was declared free of equine influenza on 28 February 2008. The Department has complied fully with its obligations under the Response Agreement in the disposal of the equipment acquired during the 2007 equine influenza outbreak.

As the original cost of many of the items purchased for the response was less than \$5,000 per item it is NSW DPI procedure not to record those items on an asset register so it is not possible to give an accurate figure of the exact cost of these items in isolation from other departmental expenditure. Many of these items were consumables such as office stationery, protective clothing

and office equipment. All of the items purchased for the campaign were auctioned as required under EADRA .

QUESTION 5

The Hon. ROBERT BROWN: Just continuing on from the question of the Hon. Rick Colless regarding rural lands protection boards, the recommendations were to reduce the boards from 47 to 14, I think, or thereabouts. Are you satisfied that there would be no reduction in farm gate services available to our farmers and graziers or any shopfront closures as a result of that readjustment?

ANSWER

There will be no reduction in services for landholders arising from the reduction in the number of rural lands protection boards from 47 to 14. Many of the services currently provided by boards will be provided in a more efficient manner as a consequence of the amalgamation of the boards' districts and administrative improvements being made to the board system.

The reform process is designed to provide a world class system that delivers efficient and effective services, especially in the areas of animal health and pest control, to farmers and rural landholders.

QUESTION 6

CHAIR: The point of those figures was the comparison between research into clean coal and the relatively minute research into soil carbon sequestration, and the failing methods, with the potential to achieve great steps within the agricultural sector. You might like to take this on notice. What are we dealing with in the coal industry in terms of carbon output, pollution, and what are we dealing with in the agricultural industry in terms of failing practice? One of the massive hidden issues, I would suggest, is the release of carbon through forest clearing, farming practices, et cetera, that are very significant. Can you give us a comparison between that and the coal industry?

The Hon. IAN MACDONALD: I do not think the \$1 million figure is necessarily an accurate one, but I will get you the appropriate figures. You might recall that earlier this year I launched the National Centre for Rural Greenhouse Gas Research. That is a partnership between the University of New England and ourselves; it is based in Tamworth and Armidale. We are now already into a series of research projects looking at some of the issues you are talking about. But broader than that, we are looking at adaptation due to reduced rainfall, the increased incidence of hot days, and drought frequency. We are also looking at methane production in ruminants. We have a number of projects that have received publicity in recent times. Also, we are looking at these issues of soil carbon and, going forward, how we will be able to better address the retention of soil carbon, the tilling systems we will need in the future, and the plants we will need in the future. So I do not think it is fair to say we are not looking at that; we are in fact looking at it.

CHAIR: We would like to think you are looking at it.

The Hon. IAN MACDONALD: The project is underway. The project is reducing methane, as I mentioned. Quantifying soil carbon in agriculture is important. We need to understand that, in terms of the decision that agriculture goes within the CPRS by 2015, a decision made in 2013. We have to be ready for it. With regard to quantifying carbon in forests and forest products, significant work is being done by the Department of Primary Industries in this area, particularly on the forestry side. Technologies for abusing ethanol from woody biomass, biochar sequestered carbon improved yields, downscale climate projections for industries and region, precision-support tools for farmers to manage increased climate variability and breeding plants and animals for new climate. So there is a whole range of research activities being conducted across the department in this area and I will get a better quantity on that for you.

ANSWER

NSW DPI has undertaken climate related research for more than a decade. Including research and development and extension work in the areas of conservation farming, no till and minimum till farming and the use of perennial pastures.

Climate variability and change also receives significant extension effort, forming conservatively at least 20% of the activities of the Departments 200 extension staff. This represents an investment in the order of \$4 million.

Total direct expenditure by NSW DPI on [agricultural climate change mitigation](#) research was \$5.9m [in 2007/08](#). Major [agricultural climate change mitigation](#) research programs include:

- reducing methane emissions from ruminant livestock through breeding low emission sheep and cattle, improved pasture management and rumen additives;
- quantifying carbon sequestered in forests and forest products (after harvest);
- quantifying carbon sequestered in soil under various agricultural and forest systems;
- reducing nitrous oxide emissions from cropping systems and developing legumes to replace emissions intensive nitrogenous fertilisers; and
- developing low cost accounting mechanisms to help agriculture and forestry participate in the Carbon Pollution Reduction Scheme.

[NSW DPI has established the National Centre for Rural Greenhouse Gas Research in partnership with the University of New England. This centre plans to invest an additional \\$10m in agricultural climate change mitigation research over the next five years in the form of senior appointments, PhD scholarships, laboratories and infrastructure.](#)

In addition there is a range of related research into: Environmentally Sustainable Plant Production \$2.97m; Environmentally Sustainable Animal Production \$3.44m; and Ecosystem Assessment and Management of Fresh, Ground and Surface Water Environments \$1.84m that has implications for climate change mitigation and adaptation.

QUESTION 7

CHAIR: Thank you. Minister, appreciating what you say, do the reports that you have just launched make provision for investigation into ecosystem improvements derived from organic farming practices?

The Hon. IAN MACDONALD: I think it tells you how to grow organically but as for that specific question—

CHAIR: Specifically those improvements?

The Hon. IAN MACDONALD: I will have to come back to you on that.

ANSWER

This area is covered in detail in the documents I have recently launched.

Specifically, both of the new publications, the 'Organic Farming: an Introduction' booklet and the Profarm workshop 'Introduction to Organic Agriculture' contain information for producers on the importance of biodiversity, minimising impact on eco-systems, and ecology management. Information is also provided on the building of soil health, the benefits of composting and soil organisms, maintenance of habitat and management of pests, weeds and disease management.

QUESTION 8

The Hon. MATTHEW MASON-COX: In a similar vein, if I can focus on the department and staffing issues, does the department have a media and communications section?

The Hon. IAN MACDONALD: Yes.

The Hon. MATTHEW MASON-COX: Could you give the Committee details of how many employees are in this section?

The Hon. IAN MACDONALD: I will take that on notice and supply that.

The Hon. MATTHEW MASON-COX: And the budget of that section?

The Hon. IAN MACDONALD: Yes.

The Hon. MATTHEW MASON-COX: Could you give us a feel of exactly what that section does and the roles it performs?

The Hon. IAN MACDONALD: Yes, I will take that on notice. We are very good with our answers.

The Hon. MATTHEW MASON-COX: Could you break that down and give a general feel? Obviously it has a public relations role—

The Hon. IAN MACDONALD: I can give you some general information now.

The Hon. MATTHEW MASON-COX: That would be good.

The Hon. IAN MACDONALD: The media and communications section of the department plays a substantial role. I will give you an example: the equine influenza outbreak last year. Crucial in the containment, management and then eradication of that particular outbreak was getting to horse owners across the State rapidly and effectively. The media department played, I think, a pretty major role in getting that information out to farmers and assisting me in doing what I have to do and also other officers of the department. The manager of the media section of our department, Brett Fifield, has just won some very significant awards for that campaign. In fact, he was awarded a national award in Perth on, I think, Wednesday night for that campaign and he received a previous one for his sterling work a few weeks back at Luna Park at an awards ceremony. Also the media and communications section plays similarly major roles in the grasshopper and locust campaigns that we have had in getting information now locally. I might do a certain amount of it, but the media and communications area has to do quite a considerable amount.

The Hon. MATTHEW MASON-COX: They interact with you on a regular basis?

The Hon. IAN MACDONALD: They would supply information on issues. They would gather that information, yes.

The Hon. MATTHEW MASON-COX: Has that section of the department increased over the past couple of years?

The Hon. IAN MACDONALD: Do you want a breakdown?

The Hon. MATTHEW MASON-COX: Yes, a breakdown over the past three or four years.

The Hon. IAN MACDONALD: We will give you a breakdown of the last few years. I do not think it has appreciably increased but I will give that to you.

The Hon. MATTHEW MASON-COX: Would you also in that breakdown nominate or give a feel of the areas in which each of those groups of employees work? Obviously some would work in public relations, the production of documents, managing media issues, tracking media issues. Things of that nature would be useful.

The Hon. IAN MACDONALD: Yes, I will give you that. When I mentioned those manuals before, they do that sort of work. All those sorts of things are

done. There is a huge information role for the department in communicating with farming and rural communities.

The Hon. MATTHEW MASON-COX: That sort of information would be very useful.

The Hon. IAN MACDONALD: They are not spin doctors. I am just anticipating your line.

The Hon. MATTHEW MASON-COX: To understand precisely what their function is would be useful.

The Hon. IAN MACDONALD: No worries, Matthew.

The Hon. MATTHEW MASON-COX: How many spin doctors, to use your terminology, are there in your own office?

The Hon. IAN MACDONALD: I will take that on notice. I do not think I have any spin doctors. What do you mean?

The Hon. MATTHEW MASON-COX: Media and communications.

The Hon. IAN MACDONALD: Yes, I will take that on notice.

ANSWER

The Public Affairs and Media section of NSW DPI provides information to primary producers and the public on key areas affecting agriculture, fisheries, mining and forestry in NSW.

This unit's responsibilities include:

1. Informing primary producers and the general community about emergencies such as animal disease outbreaks like horse flu. Other examples include locust plagues, drought, QX disease in oysters, fish kills, fires in State forests.
2. Providing primary producers with information about the latest scientific research and best management practices for the benefit of the environment and the economy of NSW.
3. Promoting to primary producers and the public, regulatory requirements concerning matters such as animal and plant movement that might spread disease, tick fever, fruit fly, phylloxera in grapes, resource management.
4. Promoting key DPI activities such as biosecurity for safe farm production, the National Livestock Identification Scheme, reduced chemical use on farm and climate change information to assist adaptation.
5. Informing primary producers about field days, workshops and other events run by NSW DPI.
6. Dealing with media enquiries concerning agriculture, fisheries, minerals and forestry matters.

Information is provided through the electronic media as well as via the DPI website, newsletters, newspapers and at events. Staff also assist in the production of DPI publications, including the monthly publication Agriculture Today which is circulated via The Land newspaper, and newsletters and web-based materials.

The Public Affairs and Media section currently has 11 staff. This is down from 14 when the DPI was formed two years ago from the combination of NSW Agriculture, NSW Fisheries, NSW Forests and Minerals NSW. Most staff are based in regional NSW.

QUESTION 9

The Hon. ROBERT BROWN: With all due respect, Minister, there are also a lot of people involved in the logging in the Gwabegar region too. Does your department have an assessment of what the net public benefit is of the management of the, I think it is about, 110,000 hectares you manage for forestry, of which I am told only about 4 per cent is harvested in a year? Are there any figures available as to the net public benefit of keeping those as active forests, and, if there are not, could I be provided with some figures please?

The Hon. IAN MACDONALD: I think there has been some work done in this area and I will be happy to supply them to you.

The Hon. ROBERT BROWN: I understand that the industry supports about 400 full-time jobs.

ANSWER

The NSW red gum forests along the Murray River support sustainable forest-based industries worth around \$60 million per year to the NSW economy and supports around 400 jobs.

QUESTION 10

CHAIR: There have been scares at different times about imported prawn products. Those concerns have related to the environment in which they have been grown or condition in which they landed. What guarantees does the Sydney consuming public have about prawns from various South-East Asian and Indian sources? I am sure you have been to some of the areas in which those prawns are grown. The environment would seriously fail Australian health standards.

The Hon. IAN MACDONALD: I have been concerned about this issue for many years. I can say two things: First, we need a well-resourced agency to inspect these products. The Australian Quarantine Inspection is that agency.

CHAIR: Prawns are readily available at the Sydney Fish Markets and in shops and people are often not aware they are getting an imported product. Prawns are a good example because of the way they feed and their origin. Can consumers be assured that those imports are fit for human consumption?

The Hon. IAN MACDONALD: I cannot vouch for every batch of prawns that comes into Australia, or any batch of food. I buy New South Wales prawns where possible.

CHAIR: I appreciate that.

The Hon. IAN MACDONALD: That is the best pre-emptive strategy.

CHAIR: We used to eat them in Parliament until your former Treasurer knocked off the catering system.

The Hon. IAN MACDONALD: There are better days ahead.

CHAIR: Perhaps you could provide further information on this interesting subject and also of the problems existing in the New South Wales fisheries industry, and the problems they have of surviving because of imports—and the imports are not taking into account the potential health risks?

The Hon. IAN MACDONALD: Yes, I am happy to give the Committee a briefing on that. It will be by way of separate briefing rather than trying to put it all into an answer on notice. The Food Authority will look at this issue and give the Committee a briefing.

N.B. A letter offering a briefing to the Committee has been sent to the Chair. A copy of the letter is attached to this transcript.

QUESTION 11

CHAIR: Can you describe what budgetary measures are being taken to secure agricultural land in the Sydney Basin in face of the world's food shortages and rising fuel prices, and given that the Sydney Basin is potentially the biggest agricultural sector in New South Wales?

The Hon. IAN MACDONALD: Yes. Many people do not realise that about \$1 billion of agricultural output comes from the Sydney Basin. It is important that we protect that basin. We have a number of programs from the Department of Primary Industries assisting the growers of various products within the basin. As you would be aware, we have officers who advise the horticultural industry and the fruit and vegetable industry within the basin as well as the dairy and beef industries that are here. We believe that the Sydney Basin is important to our future produce. It is good to have that produce being produced so close to the city; on the issue of food miles, it gets a big tick that it is so close. Following discussions I have had with the industry, the Department of Primary Industries will organise a forum in December to discuss these issues. It is a very important issue. To highlight that, one problem we have is the rural decline in acreage, or the farming decline in acreage, brought about by urban encroachment. It has meant that some industries are under stress due to problems from residents who have moved into the area such as the poultry meat industry and the egg industry in western areas. I have the very strong view that we need to maintain a strong agricultural base within the Sydney Basin and green space around our city.

CHAIR: We are well aware that the recent Minister for Planning has left us with that capacity. Have you had more fruitful negotiations on that matter concerning planning and urban encroachment?

The Hon. IAN MACDONALD: I am a very positive person. I believe we will do reasonably well in this area. I suggest you consider turning up to our forum in December.

CHAIR: It is good to hear that you are so positive. What fiscal measures has your department undertaken—

The Hon. IAN MACDONALD: Fiscal? You mean programs.

CHAIR: No, fiscal measures. What fiscal measures has your department undertaken to address these problems?

The Hon. IAN MACDONALD: As you would be aware we advise on whether rural lands should be transferred to development land. Over the years we have been fairly ferocious on this issue. I will not go into particular details. I will get an answer to you on our efforts in this area.

CHAIR: I said "fiscal", but looking at programs as well. That is two questions.

The Hon. IAN MACDONALD: Yes. I will give you a list of what we do in this area to enhance and protect our farming-based industries in the Sydney Basin.

ANSWER

NSW DPI provides support, professional advice and solutions to agricultural industries in the Sydney Basin through integrated education, advisory, scientific research, regulation and industry development services including:

- providing chemical user training for more than 1,500 vegetable producers in the Sydney Basin during the past 5 years including 800 growers from Non-English speaking backgrounds;

- employing a number of bi-lingual officers to assist growers with training and advice. The program has received strong support from the grower community; and
- developing a vegetation demonstration block at the University of Western Sydney, Richmond. This block demonstrates good agricultural practices and allows growers to evaluate a range of vegetable varieties under commercial farming environments.

NSW DPI works with the Department of Planning to ensure agricultural activities in the Sydney Basin are recognised within the planning process and opportunities exist for the establishment of new agricultural enterprises. The Metropolitan Strategy overseen by the Department of Planning recognises the significance of agricultural lands and encourages agricultural development.

I have asked the Department of Primary Industries to organise a forum in Western Sydney to explore greater development opportunities for agriculture in the metropolitan area. This forum will be on Wednesday 17 December 2008 in Penrith and will involve representatives from agricultural industries, local councils and the Department of Planning.

QUESTION 12

The Hon. MATTHEW MASON-COX: What is the value of the State forests?

The Hon. IAN MACDONALD: I will take that on notice, but it is considerable.

ANSWER

The 2006/2007 value of softwood plantations is approximately \$986 million.

The 2006/2007 value of hardwood plantations is approximately \$63 million.

The 2006/2007 value of native forests is approximately \$353 million.

The Forests NSW biological asset values for 2007/2008 have not been signed off by the Auditor-General and are therefore unavailable at present.

QUESTION 13

Can you confirm that the Plantations and Reafforestation Act is currently being reviewed?

The Hon. IAN MACDONALD: Yes.

The Hon. MATTHEW MASON-COX: When will this review be completed?

The Hon. IAN MACDONALD: Do you want me to give you the long answer or the short answer? By the end of June 2009.

The Hon. MATTHEW MASON-COX: Are you aware that industry is concerned that the Act will contain a roads levy?

The Hon. IAN MACDONALD: That has not been particularly raised with me. I do not know whether that would be part of the process, but I will come back to you with that.

The Hon. MATTHEW MASON-COX: In that regard, can you provide us with any guidance as to what the scope of the review of the Plantations and Reafforestation Act is? What issues will be considered in that review?

The Hon. IAN MACDONALD: Yes, okay. The statutory review of the Plantations and Reafforestation Act commenced by the former Department of Natural Resources has been continued by the Department of Primary Industries. The review has involved consultation with key government agencies and stakeholders. Cabinet has approved the drafting of a bill to amend the Act to improve efficiency and effectiveness. Cabinet has also noted the proposed amendment to the code. It is anticipated the exposure draft will go on public exhibition during November-December and the amendments will be implemented by the end of June 2009. So, it is to go on public exhibition and you will get your chance to look at it very shortly.

The Hon. MATTHEW MASON-COX: You are not sure about the scope of that review but you are willing to take that on notice?

The Hon. IAN MACDONALD: Yes, but it will be in the public domain very shortly.

The Hon. MATTHEW MASON-COX: You are not aware that there is any recommendation or any idea that it will have a road levy inserted?

The Hon. IAN MACDONALD: I cannot give you comfort on that. That will be part of the public exposure. It has to go out publicly in November-December.

The Hon. RICK COLLESS: Just a follow-up question on that, if I may. Does the current Act override the Native Vegetation Act, the Threatened Species Conservation Act and the Soil Conservation Act? **The Hon. IAN**

MACDONALD: I will have to take that on notice and give you a full detailed answer.

The Hon. RICK COLLESS: I will tell you why I am asking. A couple of very large-scale developments are being done in the Tenterfield district, on country that is in excess of 18 degrees of slope, which would mean it is in breach of the Soil Conservation Act. It is an area where there is a known koala habitat, which means it would be in breach of the Threatened Species Conservation Act, and there are large areas of native vegetation being bulldozed and burned in order for this development to go ahead, so it would appear to be in breach of the Native Vegetation Act.

The Hon. IAN MACDONALD: If you give me the specific instances, I will look into them and give you a reply.

ANSWER

The review of the Plantations and Reafforestation Act 1999 is a statutory review and as such covers all of the provisions of the existing legislation including financial contributions for transport infrastructure for timber plantations.

Vegetation clearing for plantation operations approved under the Plantations and Reafforestation Act 1999 (PRA) is excluded from the operation of the Native Vegetation Act 2003 (NVA) (Part 3 Division 4, clause 25(n)).

In plantations developed in northern NSW the majority of clearing undertaken is of regrowth that has grown since January 1999. Clearing of such regrowth is permitted across NSW under the provisions of the NVA. Clearing of isolated older paddock trees and small patches less than 1 ha can be approved under the PRA, but I am informed that this is minimal.

The PRA does permit the establishment of plantations on slopes over 18 degrees in some cases. Under the legislation, upper slope limits for establishment are determined depending upon the rainfall erosivity and the soil regolith stability. The red soils around Tenterfield generally are classed as stable R1 soils and hence the upper limit for tree establishment using spot cultivation is 25 degrees of slope.

An assessment of threatened species is undertaken on all proposed plantations. In the Tenterfield case, I am advised it was judged that the removal of a few scattered paddock trees would not have a significant impact on threatened species within the area.

QUESTION 14

Mr ROBERTS: I have heard some speculation about a possible monorail down there. I guess from the perspective of Forests New South Wales, we have invested a lot of money in the Imlay and Edrom roads, which go down to access the port, so we would have to consider the implications on the capital invested in that road network as part of any proposal that might come forward.

The Hon. MATTHEW MASON-COX: How much have you invested in that road network?

Mr ROBERTS: I could not tell you.

The Hon. MATTHEW MASON-COX: Would you provide us with the details?

The Hon. IAN MACDONALD: That is no problem.

ANSWER

\$10,625,000 was spent in capital on Imlay and Edrom Roads during the late 1960's and 1970's when the roads were constructed.

This financial year (2008/2009), Forest NSW intends to spend over \$1 million (capital and operational expenditure) on the roads of which around \$400,000 will be recovered from other road users.

QUESTION 15

The Hon. ROBERT BROWN: I would like to start off with some questions on the Game Council, Minister. With respect to feral animal control, Minister, are you able to supply me with information on what quantity of 1080 was used in the fox abatement plan in New South Wales forest reserves during the last year and the number of programs that were undertaken?

The Hon. IAN MACDONALD: I am not fully aware of the number of programs. I will take that question on notice.

ANSWER

Forest NSW undertakes collaborative fox and wild dog baiting programs with a range of landowners including the Department of Environment and Climate Change and Rural Lands Protection Boards.

Generally Forests NSW contributes financially and in-kind to the control programs. These are on-going programs covering broad areas.

Forests NSW records indicate that approximately 20,000 baits were used in wild dog and fox control in 2007/2008.

QUESTION 16

CHAIR: Minister, how many hunters are before the courts for illegal hunting practices?

The Hon. IAN MACDONALD: I do not have a figure for that, but there are quite a number before the courts at the moment. I could get you that number on notice.

ANSWER

There are eight hunters presently before the Courts in the Illawarra, Queanbeyan, Bombala, and Tumbarumba for the offences of hunting without a licence, trespassing, illegal hunting, possession of unregistered firearms and possessing prohibited weapons.

QUESTION 17

CHAIR: You informed the House in June this year that the development of second-generation biofuel in breaking down woody biomass into sugars to create ethanol is being explored. Can you further elaborate on the details of this project, for example, the location? I am particularly interested from a forestry perspective as to the biofuel production input source, the greenhouse gas reduction profile, the production process, and what your plans are in terms of forest resource for this type of process?

The Hon. IAN MACDONALD: I will take that on notice but one of the areas we were exploring was residue from forest and logging operations. So currently the materials used is—

ANSWER

DPI is undertaking a project in collaboration with the University of New England (UNE) through the National Centre for Greenhouse Gas Research to identify viable sources of non-food biomass that can be used to produce 2nd generation biofuels.

The project is:

1. identifying potential lignocellulosic feedstocks (crop residues, forestry wastes, woody weeds, plantations) and providing an assessment of availability of biomass and sustainability of supply;
2. evaluating existing and new bioprocessing strategies and appropriate combinations of microbes for the fermentation of lignocellulosic feedstocks to biofuels (eg ethanol, butanol) and other value added products (eg enzymes, polysaccharides, lactic acids); and
3. determining the key natural resource management, sustainability and related issues that are likely across regional NSW in providing the selected feedstocks.

The project does not target any specific forest areas. Rather it is assessing the availability of various types of feedstocks and the capacity to turn these into biofuels and the sustainability of doing so. Assessment of feedstocks is being undertaken by UNE, while DPI is largely responsible for the laboratory work, which is being undertaken at Wollongbar Agricultural Institute.

QUESTION 18

CHAIR: Could you indicate the level of funding or in-kind research assistance that the Government is providing on this project?

The Hon. IAN MACDONALD: Yes, I will take that on notice.

CHAIR: Is the Government guided by any particular funding constraints or sustainability criteria in undertaking this particular type of biofuel research activity?

The Hon. IAN MACDONALD: I will take that on notice. Sorry, constraints?

CHAIR: Particular funding constraints.

The Hon. IAN MACDONALD: We always have funding constraints. You can always do with more funding.

CHAIR: I am interested in relation to the sustainability criteria in undertaking research activities.

The Hon. IAN MACDONALD: Yes.

ANSWER

DPI is contributing \$300,000 in kind to the project on second generation biofuel, including part of the salary of the principal researcher, Dr Tony Vancov, access to laboratory facilities and clerical support. A further in-kind contribution of \$210,000 is being provided by other contributors including the University of New England, landholders and Catchment Management Authorities.

The project is assisted by grant funding of \$440,000 over three years through the NSW Climate Action Grant program. The funding will cease in June 2009.

QUESTION 19

CHAIR: Minister, would you indicate to the Committee whether your department has been involved in research into downstream chemical impacts from plantation activities?

The Hon. IAN MACDONALD: I guess you are talking about atrazine and simazine and its usage in the forests. I think you have asked me this question for the last six years in one variation or another.

CHAIR: If I do not get anywhere I will keep asking the question.

The Hon. IAN MACDONALD: I am not aware of what monitoring—you are talking about waterways, for instance, is that right?

CHAIR: Yes.

The Hon. IAN MACDONALD: I am not aware specifically of what monitoring we do, although monitoring is done by other agencies. I will get an answer for you on that. I want to make the point that this group of chemicals is widely used in New South Wales. The proportion of the use by Forests NSW is very small comparative to other industries. For instance, this chemical is used extensively in the non-GM canola plantings across this State, of which there are around 200,000 hectares currently. It should be about 270,000 hectares but we have had some downgrading because of the drought. All pesticides, including herbicides, used in Australia must be registered and we use registered product, as you know. If it were to be banned in usage in forests to prevent growth of weeds, for instance, or grasses around the seabed for the forests, you would have a significant loss of productivity in those forests. If you were to ban it in forests, I do not see any reason why you would not then ban it in the up to 270,000 hectares of canola grown in this State, which would have very significant consequences upon the productivity level of farmers who pursue a non-GM course in relation to canola. I will take it on notice.

ANSWER

The Forests NSW Chemical Manual outlines water quality monitoring requirements where chemical use is involved, particularly focussing on aerial spraying and also includes a technical guidance note on aerial application of sprays and solids to forest crops.

Aerial applications of a range of herbicides, including atrazine and simazine are monitored by surface water sampling. To date there have been no test results exceeding Australian Drinking Water Guidelines.

QUESTION 20

The Hon. RICK COLLESS: There has been a huge reduction in the number of commercial fishermen. Only about 3 or 4 are left on the Hastings River now, down from 25 to 30 five years ago. Most of them have left the industry altogether. The ones who remain are still required to pay these fees.

The Hon. IAN MACDONALD: To pay those fees they would have to be active licence holders. So they must be fishing in other areas other than the Hastings River.

The Hon. RICK COLLESS: Some of them have outside licences as well, but they are still required to pay the river fees.

The Hon. IAN MACDONALD: If you give me the details I will attend to that because that sounds like an issue that needs to be, on face value, dealt with.

ANSWER

There are 21 licensed fishers who live at Port Macquarie (including Bonny Hills). Ten of those hold Estuary General Fishery endorsements for region 4 which authorise commercial fishing in 22 estuaries stretching from Wooli Wooli River to the Camden Haven River. The share management charges payable by each fishing business annually are calculated taking account of the number of fisheries in which shares are held.

QUESTION 21

The Hon. RICK COLLESS: In the minutes of a meeting of the Inland Restricted Fisheries Industry Forum, at which your department was represented, the industry highlighted the financial implications of losing access to a series of waterways within national parks, in particular Nocolleche and Narran lakes, which was going to result in the loss of \$300,000 for the inland restricted fisheries annually. One of your officers—I understand a Mr Westaway—is a fisheries officer.

The Hon. IAN MACDONALD: That is right.

The Hon. RICK COLLESS: He stated at this meeting that "when plans for the gazettal of the parks open for comment the New South Wales DPI will seek the retention of commercial fishing access to those areas", and there was a recommendation from this meeting that the New South Wales DPI was to provide some time frame for the resolution of the access to these national parks. Has that happened or not? Has there been any action on that issue?

The Hon. IAN MACDONALD: I am not aware of that. I will have to seek the appropriate information for you and I will answer it on notice.

ANSWER

NSW DPI has made considerable efforts to protect access for fishing, both for Inland commercial fishers and recreational fishers. There are two staff members within NSW DPI who are tasked with maintaining and enhancing fishing access.

NSW DPI has made many representations to the NSW Department of Environment and Climate Change and other agencies on behalf of inland commercial fishers. These representations include written submissions as well as phone calls relating to individual complaints, new National Park acquisitions or new plans of management for National Parks.

NSW DPI has also liaised with the NSW Department of Lands. I understand that the NSW Department of Environment and Climate Change have been specifically reminded of its obligations to maintain access along public roads and other crown reserves within National Parks.

I am advised that NSW Department of Environment and Climate Change is aware of these concerns and has agreed to our two agencies developing a Memorandum of Understanding to address the issues relating to commercial and recreational fishing access across land it manages.

QUESTION 22

The Hon. IAN MACDONALD: That was going to be my next point. At the food level we enforce, of course, the food labelling laws and check the paperwork of many seafood businesses across the State.

The Hon. ROBERT BROWN: So there is an audit trail?

The Hon. IAN MACDONALD: There is an audit trail, that is right, and it starts right at the various fish markets and it is meant to be filled out and appropriately logged. In that way we believe we have started to clean up this area. The other area where it is problematic is these illegal fishers. Illegal fishers are selling direct to restaurants. We have had a significant number of raids that have caught people in this area, particularly with the high-end products—abalone and lobster—but also some very desired fish species. Fishers have to produce or furnish their prescribed records on catch. So in this way we believe we are getting on top of this problem. It is a coordinated effort in general between the Department of Primary Industries, the fisheries division, as well as the Food Authority. In relation to the mackerel catch, I do not have specific information on that but I am happy to take that on notice and give you a reply in relation to that.

CHAIR: Just on a few of those activities you have raised. Could you indicate how many boats you now have in terms of surveillance and how many staff you have for surveillance of the New South Wales coastline—and perhaps you could include inland river fisheries as well—and how much has been an increase on past years, because we tend to ask that every year, I suppose?

The Hon. IAN MACDONALD: We have in the order of 80 to 90 compliance officers. I will have to supply you with the number of boats. As you will remember, our lead vessel is the Sydney Swan.

ANSWER

NSW DPI has a total of 95 vessels of varying types and sizes in the State including a few canoes and a jet ski - 28 of those vessels are sea going craft and 67 are restricted to sheltered waters. There are 26 vessels patrolling inland waters.

NSW DPI has 94 Fisheries Officer positions in the state and there are 9 Marine Parks Officer positions all conducting fisheries surveillance in New South Wales.

QUESTION 23

CHAIR: Is there adequate funding to research the abundance and movement of shark species as opposed to focusing purely on species biology?

The Hon. IAN MACDONALD: Do you mean numbers?

CHAIR: Yes, and the movement of shark species.

The Hon. IAN MACDONALD: I understand that we do that with regard to some of the major species, for instance, grey nurse sharks and white sharks. We are doing a lot of work generally on sharks. We are also doing biological work. We have recently appointed a new shark research officer.

CHAIR: What about research into the abundance, population and movement of sharks? If you are doing that, can you explain it? Perhaps you would like to take that question on notice.

ANSWER

NSW DPI is involved in several research projects concerning the abundance and movements of sharks in NSW. These include:

- (1) Several projects on grey nurse shark, some of which are in collaboration with NSW Universities (e.g., residency at a Critical Habitat site and responses to recreational divers – Macquarie Uni) and independent researchers (The Ecology Lab – DEWHA project on grey nurse shark population survey). There are others which are primarily managed through NSW DPI, for example studies on grey nurse shark movements using acoustic and/or satellite tags;
- (2) The study of wobbegong sharks abundances, movements and residency in the Cabbage Tree Bay Aquatic Reserve;
- (3) Acoustically tagging and then tracking five juvenile dusky whaler sharks to better understand their movements and responses to changes in environmental conditions;
- (4) Tagging and tracking the movements, of four bull sharks (to date), within the northern river estuaries and along the coast. This project will continue this summer and;
- (5) A large component of a new research project is investigating the new sandbar shark fishery off northern NSW waters which incorporates tracking sharks to better understand abundance and distribution of this species.

QUESTION 24

The Hon. IAN MACDONALD: As I said, we have just appointed another shark research officer.

CHAIR: How many shark research officers are employed by your department?

The Hon. IAN MACDONALD: I will have to take that question on notice. The new researcher is Vic Peddemors, who is a world-renowned expert on sharks.

ANSWER

Four shark scientists are employed by the Department. Three of these are funded by consolidated funds and one on an external grant from the NSW Recreational Fishing Trust Fund to study the interactions between recreational fishers and grey nurse sharks to mitigate bycatch of this threatened species. The four scientists are assisted by several fisheries technicians.

QUESTION 25

The Hon. RICK COLLESS: What was the time frame, from the time you decided to offer the buy-outs or close the fishery and the cheques being sent out to those who accepted?

The Hon. IAN MACDONALD: I will take that on notice. I cannot recall exactly.

ANSWER

The buy out was announced on 13 February 2006. The Government came to agreement with most fishers quickly and payments for the surrender of their entitlements were made in the period March to June 2006. The majority of the cheques for payment of the buyout were drawn on 19 April 2006. The last of the associated payments for costs such as depreciation, retraining and relocation claims was made in June 2007.

QUESTION 26

The Hon. RICK COLLESS: Can you provide details of the total value of the fees that have been paid by the 26 fishermen operating out of the inland restricted fisheries since you agreed to develop guidelines for the waving of endorsement fees in July last year?

The Hon. IAN MACDONALD: I will take that on notice.

The Hon. RICK COLLESS: Will you agree to waiving the fees or agree to back dating the waiving of fees to when you offered your assertion before the House that those fees would be waived in June this year, or indeed when the Department of Primary Industries first agreed with industry representatives to develop guidelines for this to go ahead, which was several years ago?

The Hon. IAN MACDONALD: I am happy to waive them. However, I am advised—

The Hon. RICK COLLESS: Backdated to when they were first told?

The Hon. IAN MACDONALD: I will come to that in a second. I have been advised that the fee structure is part of the Act and requires an amendment to the Act.

The Hon. RICK COLLESS: I am sure that will impress the fishermen who have continued to pay them.

The Hon. IAN MACDONALD: I am advised on the run here. That is what I have been informed is the impediment to waiving, but I say I am advised on the run here. I will double check that.

ANSWER

Further to my clarification on the waiving of fees for the Inland restricted fishery, I can confirm that previous to the legislative amendment, NSW DPI was only levying these fees on a pro rata basis i.e. when fishers were active.

Given that there has been very little activity in the fishery almost no endorsement fees have been collected for some time. Some fishers who paid in advance in 2007 have had an endorsement fee credit recorded against their name.

QUESTION 27

The Hon. IAN MACDONALD: There is no doubt. At Narrandera we have substantial breeding of native fish species, including trout cod.

The Hon. ROBERT BROWN: And you have no expectation that under the mini-budget Narrandera might be scaled back?

The Hon. IAN MACDONALD: I have no indications of any particular action being taken in relation to the Department of Primary Industries at any level. However, the mini-budget is very much a consideration. By the way, just on your previous question, our program breeds around 2.5 million native fish each year.

The Hon. ROBERT BROWN: In relation to the incident last year or the year before at Berrigan, has that area of the river that the developer vandalised been restored?

The Hon. IAN MACDONALD: I will have to take that on notice.

ANSWER

The area on the Murray River at Corowa that was desnagged (known as Kunanadgee Eco Resort) has been restored in accordance with an order issued under the Protection of the Environment Operations Act, 1997. The work was undertaken by NSW DPI between 13 and 28 August 2008.

125 snags were replaced into the Murray River, 282 snags were replaced into an unnamed creek, and 4 snags were replaced into Big River billabong. The total cost of \$67,540 has been billed to Developer who did the original desnagging work.

QUESTION 28

The Hon. ROBERT BROWN: Yes, but the amount of loss of the area that was paid for by the recreational fishers to get rid of the commercial fishers perhaps needs some more reef to offset that?

The Hon. IAN MACDONALD: Okay. We will take that up with the Recreational Fishing Trust on your behalf.

ANSWER

Answer not required.

QUESTION 29

The Hon. RICK COLLESS: Minister, has the Government introduced an option or tender for at least 11 exploration licences in New South Wales?

The Hon. IAN MACDONALD: Yes. This was referred to publicly about a month ago. A number of smaller areas have been put to tender. The department has notified a large number of small and medium companies of this expression of interest over these smaller and remnant sites, and a process is underway whereby companies that are interested will put in their bids and they will be determined by an expert panel with an independent probity officer.

The Hon. RICK COLLESS: In what regions are those licences and what areas in each region?

The Hon. IAN MACDONALD: I will take the details on notice but I will give you a broad response. The Upper Hunter; there are a couple of small ones, for want of a better word, in the northern part of the Gunnedah Basin; and the rest are in the western Lithgow region.

ANSWER

- Mt Penny located approximately 2 kilometres west of Bylong in the Western Coalfield,
- Spur Hill located approximately 3 km east of Denman in the Hunter Coalfield,
- Glendon Brook located approximately 13 km east of Singleton in the Hunter Coalfield,
- Goonbri located approximately 20 km north east from Boggabri in the Gunnedah Coalfield,
- Yarrawa is located approximately 5km south west of Denman in the Hunter Coalfield,
- Vickery South located approximately 16 km south east of Boggabri in the Gunnedah Coalfield,
- Long Mountain located approximately 8 km west of Kandos in the Western Coalfield,
- Ilford located approximately 15 km west of Kandos in the Western Coalfield,
- Cameron Road located approximately 6 km south of Ilford in the Western Coalfield,
- Melrose located approximately 31 km north of Portland in the Western Coalfield,
- Ben Bullen located approximately 15 km north of Portland in the Western Coalfield.

QUESTION 30

CHAIR: Could you indicate why subsistence management plans such as the recent Beltana Subsistence Management Plan [SMP] are only available for community viewing at the mine site or at the Maitland Department of Primary Industries office, and do you think that is adequate?

The Hon. IAN MACDONALD: I will take that on notice.

ANSWER

Subsidence Management Plans are extremely large documents. Their size prevents the Department from making them available on the internet. They are, however, available for viewing at the relevant regional office as well as the other sites identified.

QUESTION 31

CHAIR: What exploration licences have been planned for auction or tender in the Leahy Creek area and when that will occur?

The Hon. IAN MACDONALD: I am not sure about that area. I will take that question on notice.

CHAIR: What is the status of the New South Wales Government's coal exploration drilling program in the southern Goulburn River catchment between Ulan and Denman?

The Hon. IAN MACDONALD: I will take that question on notice.

ANSWER

Exploration and testing is continuing in the region to determine the viability of the resource. However, Government has not made a decision regarding the future development of coal resources in the Leahy Creek area.

QUESTION 32

CHAIR: Minister, do you or your department know the estimated value of damage to the Grose River in the Blue Mountains caused by contamination by the disused Canyon Colliery?

The Hon. IAN MACDONALD: The extent of the damage?

CHAIR: And the estimated value of the remediation.

The Hon. IAN MACDONALD: I will take that question on notice.

CHAIR: How much has the current or former mine owner paid for the rehabilitation of that mine site?

The Hon. IAN MACDONALD: I will take that question on notice.

CHAIR: What is the budget for undertaking the rehabilitation of the mine contamination of the Grose River?

The Hon. IAN MACDONALD: I do not have that figure, but I will see what we have available.

ANSWER

No. The Department of Primary Industries (DPI) is currently seeking independent advice regarding this matter. Completion of rehabilitation is the responsibility of Coalpac Pty Ltd and DPI holds a security deposit of \$90,000 against liabilities on the site. The amount invested by the company on rehabilitation is a matter for Coalpac Pty Ltd.

QUESTION 33

CHAIR: How many staff does the department have to carry out inspections of disused and derelict mines?

The Hon. IAN MACDONALD: I will take that question on notice. We have direct staff and contracted staff who do that work in some instances. I will provide the number of both the direct and contract staff.

ANSWER

There are two effective full time positions dedicated to carrying out inspections and undertaking rehabilitation works on derelict mines. In addition to this, Regional Environmental Officers can be called upon to inspect sites within their region. Derelict mines funds are also used for inspection work carried out under contract.

QUESTION 34

CHAIR: How much was spent last year assessing, investigating and improving environmental performances across the mining industry? I am referring to the budget papers page 19-2. Can you outline what that money was used for?

The Hon. IAN MACDONALD: I will take that question on notice and provide a detailed answer.

ANSWER

The budget for the Environmental Sustainability Branch of the Department of Primary Industries Mineral Resources division last year was \$4.97M.

This money was used for 870 audits, assessments and reviews, 60 non-compliance investigations, audits and enforcements, and rehabilitation works on 30 derelict mine sites.

QUESTION 35

The Hon. RICK COLLESS: Minister, in relation to the exploration licence held by the Muswellbrook Coal Company on the Castlerock exploration site, do you know when that will expire? How long has it been in place?

The Hon. IAN MACDONALD: No, I cannot help you with that. I will take the question on notice and provide an appropriate reply.

ANSWER

There are two exploration licences that were renewed until January 2009.

One licence was granted in January 1998 and the other in July 1999.

QUESTION 36

The Hon. RICK COLLESS: I thought you might know, that is all. Do you think that a decade of distressed people in that Castlerock exploration licence area is excessive? When will you advise the Muswellbrook Coal Company to make a decision to mine or to move on?

The Hon. IAN MACDONALD: I will take that on notice and give you a considered reply.

The Hon. ROBERT BROWN: I would be interested in that reply too.

The Hon. IAN MACDONALD: I will provide the Committee with a reply.

The Hon. ROBERT BROWN: Thank you.

The Hon. IAN MACDONALD: This is becoming a bit like a Chinese—

The Hon. HELEN WESTWOOD: Water torture?

The Hon. IAN MACDONALD: No, those Chinese sessions, committee meetings of any type, that they held during the Cultural Revolution. They had a set time and could finish the business in 15 minutes, but they had to sit there for the full hour.

The Hon. ROBERT BROWN: Relax, Minister, we have only a few minutes to go.

The Hon. MATTHEW MASON-COX: That would never happen in a New South Wales Cabinet meeting, would it?

The Hon. IAN MACDONALD: Certainly not.

The Hon. RICK COLLESS: If you and the department intend to allow another extension on the Castlerock site, will you make it a condition of the extended exploration licence that the Muswellbrook Coal Company buy out those properties in the expiration at licence area whose owners wish to sell and have not been able to because of the lack of purchasers while the exploration licence, and potentially a mining lease, hangs over those properties? That is a very important issue for those people.

The Hon. IAN MACDONALD: I will have a good look at that and give you a reply.

ANSWER

There are coal resources in the area but their distribution, quality and mining potential is somewhat variable. The Muswellbrook Coal Company has systematically explored these resources and has now reached a stage where they are developing a conceptual mine plan. The time frame in which the exploration has taken place is not dissimilar to other coal projects. A decision on the future mining tenure for the project will have to be made by early in 2009, when the current terms on their exploration licences expire.

END

MINISTER FOR PRIMARY INDUSTRIES
MINISTER FOR ENERGY
MINISTER FOR MINERAL RESOURCES
MINISTER FOR STATE DEVELOPMENT



Level 33 Governor Macquarie Tower
1 Farrer Place SYDNEY NSW 2000 AUSTRALIA
Telephone: (02) 9228 3344
Facsimile: (02) 9228 3452
e-mail: macdonald.office@macdonald.minister.nsw.gov.au

Ian Cohen, MP
Chair
General Purpose Standing Committee No. 5
Parliament House
Macquarie Street
SYDNEY NSW 2000

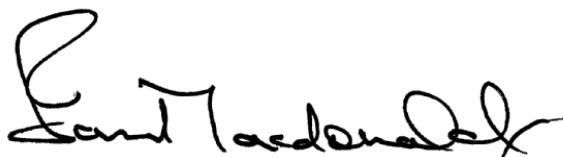
Dear Mr Cohen,

Briefing on imported prawn products

You will recall that during the Budget Estimates hearing that took place on 16 October 2008 in relation to certain parts of my portfolio, I indicated that I would be pleased to arrange for the NSW Food Authority to give General Purpose Standing Committee No. 5 a briefing in relation to imported prawn products.

Should the Committee remain desirous of a briefing, may I suggest that you contact Mr Jason Stewart of my office on (02) 9228 3410 to discuss suitable arrangements for you to be briefed by the NSW Food Authority.

Yours sincerely



IAN MACDONALD MLC